

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT AND POVERTY ALLEVATION
LOK SABHA**

UNSTARRED QUESTION NO:372
ANSWERED ON:21.11.2000
FINANCING OF MUNICIPALITIES
SRINIVASULU KALAVA

Will the Minister of URBAN DEVELOPMENT AND POVERTY ALLEVATION be pleased to state:

- (a) whether the Government have formulated any schemes to finance municipalities for the construction of shopping complexes and other income generating buildings through low interest loans and other assistance;
- (b) if so, the details thereof;
- (c) whether any assistance has been given to the Government of Andhra Pradesh in this regard during 1999-2000;
- (d) if so, the details thereof municipality-wise;
- (e) whether the Government propose to enhance such assistance in the forthcoming year; and
- (f) if so, the details thereof?

Answer

MINISTER OF STATE FOR URBAN DEVELOPMENT & POVERTY ALLEVIATION (SHRI BANDARU DATTATREYA)

(a)&(b): Yes, Sir. Under the Centrally Sponsored Scheme of Integrated Development of Small & Medium Towns (IDSMT) municipalities are given financial assistance for various components which include construction of shopping complexes and other income generating schemes. The main features of the IDSMT Scheme are:-

- (i) Towns upto population of 5 lakh are eligible to be covered under the scheme.
- (ii) It is applicable to only those towns where elections to the local bodies have been held and elected bodies are in position.
- (iii) Components for funding include works which have town-wise significance such as:-
 - Strengthening of Master Plan road facilities including ring, arterial, bypass link roads and small bridges,
 - Sites and Services,
 - Development of bus/truck terminals,
 - Construction/upgradation of Master Plan drains including Storm water channels,
 - Solid Waste Management,
 - Development of market complexes/shopping centres,
 - Provision of tourist facilities,
 - Development of City/Town Parks,
 - Street lighting for Master Plan roads,
 - Slaughter houses,
 - Major public amenities like Gardens, Playgrounds, Marriage-halls, Pay-and-use toilets etc.,
 - Cycle/Rickshaw stands,
 - Traffic improvement and management schemes,
 - Construction of retaining walls and slope stability measures in hill station towns,

- Social amenities, specially for the poorer sections,

(iv) The funding will depend upon the size of the towns. The financing pattern under the scheme is given below:-

(Rs. in lakhs)

Category of town ance (Grant) (Population)	Project Cost (Grant) Maximum	Central assist- Loan/Other Sources	State Share	HUDCO/Financial Institution	
A (<20000)	100	48	32	20	(20%)
B (20000-50000)	200	90	60	50	(25%)
C (50000-1 LAKH)	350	150	100	100	(29%)
D (1-3 LAKHS)	550	210	140	200	(36%)
E (3-5 LAKHS)	750	270	180	300	(40%)

(c)&(d): During the year 1999-2000 an amount of Rs.552.79 lakh Central assistance has been released to 18 towns which include financial assistance to commercial complexes, cost recovery and non-remunerative schemes. Also an amount of Rs.9.97 lakhs has been released for six towns towards grant-in-aid under Central Urban Infrastructure Support Scheme (CUISS) during 1999-2000 for preparation of IDSMT project report. The details of town-wise Central assistance released is given in Annexure-I.

(e)&(f): Release of Central assistance to any State is based on the performance including utilisation of funds released earlier under the scheme in the State, the proportion of urban population living in small and medium towns of the State to that of the country, availability of State Share, mobilisation of institutional finance etc.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PART (c)&(d) OF LOK SABHA UNSTARRED QUESTION NO. 372 FOR 21.11.2000

CENTRAL ASSISTANCE RELEASED UNDER IDSMT AND CUISS DURING 1999-2000 FOR ANDHRA PRADESH.

(Rs. in lakhs)

SL. NO.	NAME OF TOWN	CENTRAL ASSISTANCE RELEASED	
	CUISS	IDSMT	
1.	CHITTOOR	-	66.00
2.	THIRUPATHI	-	52.00
3.	NELLORE	-	50.00
4.	GADWAL	-	18.00
5.	BHONGIR	-	26.00
6.	ELURU	-	53.00
7.	ADONI	-	4.77
8.	KAREEMNAGAR	1.56	-
9.	MACHERLA	0.51	-
10.	NARAYANPET	-	24.00
11.	JAGITIAL	-	37.00
12.	CHILAKALURIPET	-	26.00
13.	AMALAPURAM	-	24.50
14.	SANGAREDDY	-	26.50
15.	GUDUR	-	2.59
16.	BODHAN	-	30.43
17.	GAJUWAKA	2.20	30.00
18.	RAMAGUNDAM	2.20	30.00
19.	MAHABOONNAGAR	2.20	30.00
20.	MANDAPETA	1.30	22.00
TOTAL:		9.97	552.79